

Message Text

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PAGE 01 STATE 246048

66

ORIGIN EA-09

INFO OCT-01 ISO-00 EB-07 IO-13 NSC-05 SS-15 SSO-00 NSCE-00

TRSE-00 CIAE-00 INR-07 NSAE-00 INRE-00 CIEP-01 SAJ-01

L-03 /062 R

DRAFTED BY EA/ROC:BLEVIN:CB

APPROVED BY EA - MR. HUMMEL

EB/ODF:JWINDER (DRAFT)

EB:JKATZ (DRAFT)

IO/UNP:GBHELMAN (DRAFT)

EA:LEEDMOND (DRAFT)

EA:OVARMSTRONG

NSC:WGLEESTEEN

S/S:O-AWOTTO

----- 038358

O 030027Z OCT 76 ZFF4

FM SECSTATE WASHDC

TO AMEMBASSY MANILA NIACT IMMEDIATE

C O N F I D E N T I A L STATE 246048

FOR BOEKER FROM HUMMEL AND KATZ

E.O. 11652: GDS

TAGS: EFIN, IBRD, IMF, TW, CH, PFOR

SUBJECT: IMF/IBRD MEETING, CHIREP

REF: MANILA 15277, MANILA 15303

1. WE AGREE THAT IN LIGHT OF PRC LETTER TO FUND, CHANCES ARE GREATER THAT AN EFFORT WILL BE MOUNTED AGAINST ROC MEMBERSHIP IN FUND/BANK. POSSIBLY FACT LETTER WAS FROM PEOPLES BANK OF CHINA RATHER THAN FROM GOVERNMENT ITSELF MAY MEAN THAT PRC DOES NOT INTEND TO GO BEYOND FORCEFUL STATEMENT FOR THE RECORD.

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 246048

2. CONTENTS OF PEOPLE'S BANK LETTER (FBIS SEPT 30)

INDICATE THAT PRC IS INTERESTED IN EXPULSION OF ROC RATHER THAN IN ASSUMING MEMBERSHIP IN FUND/BANK. OUR POSITION ON THIS REMAINS AS STATED IN PARAS 1, 2 AND 3 OF ISSUES PAPER PROVIDED USDEL, I.E. ATTEMPT TO HEAD OFF VOTE THROUGH PROCEDURAL APPROACH FOLLOWED BY NEGATIVE VOTE IN EVENT PROCEDURAL PLOY FAILS AND EXPULSION RESOLUTION IS BROUGHT TO VOTE. IN KEEPING WITH THIS, USDEL SHOULD WORK BEHIND THE SCENES WITH MC NAMARA AND WITTEVEEN AND MEMBERS OF PROCEDURAL COMMITTEE IN EFFORT TO HAVE CHIREP ISSUE AGAIN REFERRED TO EXECUTIVE DIRECTORS. USDEL SHOULD STRESS LACK OF ANY INDICATION THAT PRC HAS

INTENTION TO JOIN BANK/FUND AS REFLECTED IN PEOPLE'S BANK LETTER WHICH IS CONFINED TO DEMAND FOR ROC'S EXPULSION AND MAKES NO MENTION OF PRC INTEREST IN MEMBERSHIP. USDEL SHOULD ALSO CITE THE FINANCIAL PROBLEMS THAT MIGHT ARISE AND THE IMPACT ON ATTITUDES IN THE US TOWARD IFIS SHOULD MEMBER IN GOOD STANDING BE EXPELLED. (WE UNDERSTAND THAT WHILE ROC SUBSCRIPTION TO BANK IS US DOLS 90 MILLION, ITS OUTSTANDING LOANS TOTAL DOLS 253 MILLION. PRC LETTER CLAIMS ROC'S "ASSETS, RIGHTS AND INTERESTS IN IMF": IT MAKES NO MENTION OF ASSUMPTION OF ROC'S OBLIGATIONS.) FINALLY YOU SHOULD ARGUE THAT AS MEMBER IN GOOD STANDING, THERE IS NO CAUSE FOR ROC EXPULSION. WITH EXCEPTION REFERENCE TO FINANCIAL PROBLEMS AND US ATTITUDES, YOU SHOULD USE THESE SAME POINTS TO EXPLAIN NEGATIVE VOTE IF EXPULSION RESOLUTION IS BROUGHT TO VOTE (I.E. THAT PRC HAS EVINCED NO INTEREST IN ACTIVE PARTICIPATION AND THAT THERE IS NO REASON TO EXPEL A MEMBER IN GOOD STANDING.).

3. WE RECOGNIZE THAT IF MATTER DETERIORATES TO ACTUAL VOTE ON EXPULSION, THERE WILL BE NO WAY OF PREVENTING AN UNDESIRABLE OUTCOME. IN FACING THIS SITUATION, USDEL SHOULD KEEP IN MIND OUR DESIRE TO AVOID NEEDLESS CONFRONTATION WITH PRC OR BANK/FUND. ACCORDINGLY, USDEL SHOULD LIMIT ITSELF TO EXPLAINING NEGATIVE VOTE AS OUTLINED ABOVE. IN EVENT EXPULSION EFFORT INVOKES PRC'S CLAIM TO BE "SOLE LEGITIMATE GOVERNMENT OF CHINA", USDEL SHOULD CONFIDENTIAL

CONFIDENTIAL

PAGE 03 STATE 246048

NOT TAKE ANY POSITION ON THIS ISSUE.

4. IN EVENT EXPULSION RESOLUTION IS COUPLED WITH CALL FOR PRC MEMBERSHIP, USDEL SHOULD SEEK INSTRUCTIONS. IF TIME DOES NOT PERMIT USDEL SHOULD ABSTAIN, EXPLAINING THAT WHILE WE WOULD WELCOME PRC PARTICIPATION, IT SHOULD NOT BE AT EXPENSE OF ROC. ALSO, IF RESOLUTION DOES NOT INDICATE PRC WILLINGNESS TO ACCEPT OBLIGATIONS OF MEMBER-

SHIP, THIS FACT SHOULD BE CITED.

5. ABOVE WAS DRAFTED PRIOR TO RECEIPT REFTEL B. WE
ENDORSE APPROACH SUGGESTED REFTEL, AND WISH TO REITERATE
OUR REQUEST THAT USDEL SEEK INSTRUCTIONS ON CHIREP
RESOLUTION WITH EXCEPTION OF ONE SIMPLY CALLING FOR
EXPULSION OF ROC. ROBINSON

CONFIDENTIAL

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PAGE 01 STATE 246048

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ORIGIN EA-03

INFO OCT-01 ISO-00 /004 R

66011
DRAFTED BY:EA/ROC:HAENGELBRECHT:ARCKC
APPROVED BY:EA/ROC:BLEVIN
----- 056879

R 042317Z OCT 76
FM SECSTATE WASHDC
TO AMEMBASSY TAIPEI

C O N F I D E N T I A L STATE 246048

FOLLOWING REPEAT STATE 246048 ACTION MANILA DTD 03 OCT 76.

QTE: C O N F I D E N T I A L STATE 246048

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CONFIDENTIAL

PAGE 02 STATE 246048

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PAGE 03 STATE 246048

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RESOLUTION WITH EXCEPTION OF ONE SIMPLY CALLING FOR
EXPULSION OF ROC. ROBINSON
UNQTE: KISSINGER

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MEMBERSHIP, RESOLUTIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 03 OCT 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: greeneet
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976STATE246048
Document Source: CORE
Document Unique ID: 00
Drafter: BLEVIN:CB
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D760372-1194
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19761087/aaaacyac.tel
Line Count: 239
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN EA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 5
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Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 76 MANILA 15277, 76 MANILA 15303
Review Action: RELEASED, APPROVED
Review Authority: greeneet
Review Comment: n/a
Review Content Flags:
Review Date: 20 APR 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <20 APR 2004 by GarlanWA>; APPROVED <22 SEP 2004 by greeneet>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: IMF/IBRD MEETING, CHIREP
TAGS: EFIN, PFOR, PORG, TW, CH, IBRD, IMF
To: MANILA
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006